STATEMENT OF JAMES F. MORIARTY UNITED STATES AMBASSADOR TO BANGLADESH TO THE UNITED STATES COMMISSION ON

INTERNATIONAL RELIGIOUS FREEDOM

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Madame Chair, honorable commissioners, distinguished guests, ladies and gentleman: Good Morning. I am honored to be first witness at this hearing on the state of democracy, human rights, and religious tolerance in Bangladesh. It is a pleasure to join the diverse and accomplished group of panel members who will also testify this morning. I appreciate the outstanding work performed by the Commission in support of building democracy and advancing human rights and religious tolerance in Bangladesh.

This is an exciting time to be the U.S. Ambassador in Bangladesh. The country is preparing to return to a democratically-elected government through national parliamentary elections. This will bring to a close a two-year interregnum that began on January 11, 2007 with the imposition of a

State of Emergency and the installation of a caretaker government. In my view, other than last month's elections here in the U.S., there will be no more transformational election in the world this year than the parliamentary elections scheduled for December 29 in Bangladesh.

As Ambassador, I have had the privilege of traveling throughout Bangladesh, from Rangpur in the north to Rangamati in the south, and numerous places in between. I have met Bangladeshis from all walks of life. I have witnessed a vibrant nation with a thriving civil society. I have observed hardworking, industrious citizens who seek a better life for themselves and their families. Bangladesh is a moderate, Muslim-majority nation, as the Commission has also pointed out, and Bengalis practice a unique form of religious syncretism. The land that claims Nobel Laureate Rabindranath Tagore as one of its own also takes Mahatma Gandhi's words to heart - to allow the cultures of all lands to blow about as freely as possible while refusing to be blown off one's feet by any. Yet, there are those who would like to end this tradition of moderation and tolerance - and that is a matter of grave concern.

Bangladesh is a land of contrasts. On one hand is the Bangladesh of recurring natural disasters, endemic corruption, growing intolerance, and a growing population, 86 percent of whom subsist on less than two U.S. dollars per day. On the other hand is the Bangladesh that is on the brink of a historic democratic transition which could make Bangladesh a model of governance for other moderate Muslim nations. Bangladesh's economy has been growing at more than five percent annually for the past 17 years, and at more than six percent annually the past six years. The country has dramatically improved most social indicators, including reducing infant mortality by over half in the past twenty years. For example, you might be surprised to learn that the average life expectancy for Bangladesh's 150 million people is considerably longer than that of Russian men.

U.S. interests in Bangladesh revolve around three mutually reinforcing principles-what I like to refer to as the "three D's": democracy, development, and the denial of space to terrorism.

Bangladesh's track record with democracy is mixed. Since the end of military rule in 1991, the country has held three, largely credible elections. There has been real progress in the formal aspects of the electoral process, including voter registration. Little improvement has been made on substantive issues like transparency, however. Each successive government has increasingly centralized power at the national level - a winner take all mentality dominates.

With respect to the democratic transition ahead in Bangladesh, the Caretaker Government has remained committed to the electoral roadmap announced in July 2007. The military has pledged to support the return to democracy - and I see no reason to doubt the military's pledge. In fact, virtually all observers agree that the military did an exemplary job in registering over 80 million voters in less than a year. The government has set the conditions for free, fair, and credible elections by the end of December. For example, the Election Commission now has the power to bar certain types of criminals from participating in the election and to remove from the ballot candidates engaged in illegal activities. The Caretaker Government has also pledged to remove the state of emergency prior to the elections, so that no one will be able to credibly charge the authorities with using emergency powers to manipulate the election.

I hope that the Parliamentary elections on December 29 will lead to a party-based government ready to move the country forward in a positive direction.

We have urged the political parties to play their part and to engage in constructive dialogue with the Election Commission and the Caretaker Government. In recent weeks, I have met with both former Prime Ministers Sheikh Hasina and Khaleda Zia. Both have assured me that their

parties will attempt to implement manifestoes designed to ensure a better future for the people of Bangladesh. Both have assured me that they understand the need to improve the political environment in Bangladesh and to ensure a positive relationship between the governing and opposition parties. Both have assured me that their parties will unstintingly combat terrorism.

The U.S. and others in the international community continue to press for improvements in human rights inside Bangladesh. We are seeing some progress. Extrajudicial killings have reportedly declined over the past year. This is due in part to pressure from the U.S. and others. Similarly, the treatment of religious and ethnic minorities shows slow signs of improvement. For example, anti-Ahmadiyya groups have not engaged in public agitation or violence in 2008.

Overall, the legal framework inside Bangladesh is strong and in no way condones violence or discrimination against individuals or communities. Still, the continued failure by local authorities to fully investigate all types of human rights violations is troubling. I meet regularly with minority communities, in order both to understand their conditions and to let others know that the U.S. is monitoring the treatment of the less-advantaged. I recently visited the Chittagong Hill Tracts, where Buddhist tribes have seen an influx of Bengali settlers into their traditional regions. While there, I witnessed considerable animosity between the original inhabitants and the new settlers. I also visited a Buddhist sage, who noted that his people had to learn to live together with the new settlers; there simply was no other choice. I am proud that I went to the Hill Tracts to open a U.S.-funded project that will help protect the environment by improving livelihoods - and diminishing suspicion - among the poorest people of the region.

The second pillar of U.S. relations with Bangladesh is development. Development in Bangladesh still faces serious obstacles. The recent global economic crisis has raised concerns about whether Bangladesh can sustain economic growth rates of five to seven percent annually, particularly given the potential vulnerability of its export sector and remittance flows. Some economists argue that inflation, which has crept into the double digits, is Bangladesh's primary problem. Food prices have risen more than fifty percent over the past year putting at risk of chronic malnourishment another seven million Bangladeshis.

Other analysts maintain the country needs to improve its energy and transportation infrastructure. Corruption is estimated to cost the country up to three per cent of its GDP (almost two billion dollars per year). The high level of corruption deters international trade and investment. The Caretaker Government has put considerable effort into combating corruption, and to date over sixty individuals have been convicted on corruption charges. But time has run out on the Caretaker Government and it will be up to the incoming political government to pursue and expand Bangladesh's anti-corruption drive.

Development is important not only because poverty creates a space for extremism but also because inequality makes it more difficult for democracy to take root.

The U.S. Agency for International Development mission in Bangladesh manages a food aid program that targets the needs of the poorest of the poor, especially in the countryside. USAID also manages a broad based development program focusing on democracy and governance (including by helping to combat corruption through better local government), public health, education for the poor and expanded economic opportunity and competitiveness. These programs help provide a basic social safety net. Last year USAID immediately provided \$19.5 million in aid to victims of Cyclone Sidr. Congressional approval of an FY-08 supplemental appropriation and FY-09 bridge funds providing Bangladesh an additional \$75 million for Cyclone SIDR victims was tremendously helpful.

Lastly, let me turn to the last pillar of the U.S. relationship with Bangladesh. There are warning signs that extremism could take root in Bangladesh. Extreme poverty, weak governance and endemic corruption have created a space inside Bangladesh for extremists to operate. The government of Bangladesh has taken steps to confront this threat, including by arresting and sentencing militants responsible for mass bombing campaigns in 2005. The government of Bangladesh has also attempted to provide training for the country's imams and a standardized curriculum for Bangladeshi madrassahs.

The United States supports Bangladesh's efforts to combat terrorism. The U.S. is helping Bangladesh achieve better control of its border. The U.S. is also looking to engage with the Rapid Action Battalion, Bangladesh's most effective security organization, to improve its human rights record and potentially enhance its ability to fight terrorism. Through our Leaders of Influence program, the U.S. Mission works with imams and other religious leaders. We show the imams development projects and demystify for them what the U.S. is trying to do in Bangladesh. I have spoken to graduates of this program, some of whom are studying English under another U.S.-funded project. To a man, all the imams told me that their training made them understand that they must support community efforts in such fields as health, basic education, human trafficking, and local governance. Over the next four years, the program will reach at least 20,000 leaders of influence representing all religious faiths and a variety of secular fields.

In concluding, I would like to emphasize that the stakes for the United States are enormous.

Bangladesh is at a crossroads. The country could achieve a peaceful transition and become a model of a relatively prosperous Muslim majority democracy. Or it could return to the winner take all obstructionist politics of previous years. The latter could lead Bangladesh - the world's seventh-most populous country - down a dark road towards chaos and widespread poverty. If Bangladesh stumbles within the coming months, it could become a breeding ground for terrorists and groups wishing to operate in South and Southeast Asia, and perhaps beyond.

I am optimistic. Bangladeshis are deeply committed to democracy - over 90 percent of them say they plan to vote in the upcoming election. Bangladeshis are among the most talented, hard working people I know. When I talk to Bangladeshi factory workers, they look me straight in the eye and say that they are better off than their parents were and their children will be better off than they are. And Bangladeshis have a tradition of tolerance, with Muslims, Hindus, and Christians all helping their neighbors celebrate each religion's holidays.

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Thank you.